
Additional Murrelet Habitat Conservation

1. Organizing Question

How could DNR increase the amount of DNR-managed forestland dedicated to marbled murrelet ("murrelet") habitat conservation beyond the amount conserved through DNR's Final Habitat Conservation Plan ("HCP")¹ Marbled Murrelet Long-term Conservation Strategy ("LTCS")?

2. Background and Context

DNR manages approximately 1.4 million acres of state trust land within the Washington range of the murrelet.² DNR is currently working to amend its HCP for these lands to include a marbled murrelet long-term conservation strategy. In February 2018, Commissioner of Public Lands Hilary Franz convened the Solutions Table ("Table") to "advise DNR on creative, feasible, and impactful stakeholder-driven actions to address the social, economic, and environmental impacts that may result from upcoming Board of Natural Resources' ["Board"] decisions"³ around this amendment. The Table works outside of the public process that is being carried out by the Board and U.S. Fish and Wildlife Service for developing, reviewing, and adopting the LTCS.

In April 2019, DNR provided the Table with seven draft papers on topics of interest identified through discussions by the Table in order to "build common understanding and lay the groundwork for further ST discussion, refinement of the ideas, and identification of the most fruitful ideas to pursue further."⁴ DNR is providing this additional paper in response to feedback that the seven original papers overlooked an important goal: to increase the amount of DNR-managed forestland dedicated to murrelet conservation beyond the amount conserved through the LTCS. Accordingly, this paper envisions an approach that meets all of the following criteria:

- increases the amount of DNR-managed forestland dedicated to murrelet conservation beyond the amount conserved through the LTCS;

¹ Washington State Department of Natural Resources. 1997. Final habitat conservation plan. Wash. St. Dep. Nat. Resour., Olympia. 456 p.

² Washington State Department of Natural Resources and U.S. Fish and Wildlife Service. 2018. Revised draft environmental impact statement on a long-term conservation strategy for the marbled murrelet. Wash. St. Dep. Nat. Resour., Olympia. 361 p.

³ Washington State Department of Natural Resources. 2018. Advisory council charter and ground rules. Wash. Dep. Nat. Resour., Olympia. 3 p.

⁴ McManus, E. 2019. Solutions Table: technical papers for review & scheduling caucus meetings; ST mtg schedule for the year. April 22, 2019 (email).

- is consistent with DNR's interpretation of the trust mandate;
- is consistent with federal and state laws and regulations; and
- is not an element of the LTCS: the public process to amend DNR's HCP--not the Table--is the appropriate venue in which to address murrelet habitat conservation that is part of the LTCS.

3. Potential Opportunities

The premise of this paper is that ways could be found to increase the amount of DNR-managed forestland dedicated to murrelet conservation beyond the amount conserved through the LTCS.

There are only two ways to accomplish this goal. DNR could either dedicate to murrelet conservation additional habitat acres currently managed by DNR but not included in the LTCS, or DNR could acquire additional habitat acres. Both approaches could be employed. In either case, the emphasis could be on current habitat, future habitat, or a mix of current and future habitat.

For either approach, new funding would be required. The LTCS satisfies DNR's murrelet conservation responsibilities under the Endangered Species Act. The trusts do not have any additional obligation to conserve murrelet habitat. Scarce trust management funds are needed for many other purposes that directly benefit the trusts.

If additional habitat on trust lands currently managed by DNR but not included in the LTCS were to be dedicated to murrelet conservation, the trusts would have to be compensated. DNR's ongoing work with the trust beneficiaries around lands encumbered by threatened species in Southwest Washington suggests that the most acceptable form of compensation would be the acquisition of productive replacement assets equivalent in value to that of the lands to be transferred into conservation status. County beneficiaries have expressed preference that these replacement assets be working forestland, to both provide equivalent revenue in their county and to support their timber economies and way of life. Common School Trust beneficiaries are open to a mix of replacement assets (forestland and/or other) that provides superior revenue to the lands that would be transferred. All beneficiaries are unanimous that the replacement assets must be acquired by DNR prior to the forestlands they are replacing being transferred into conservation status.⁵

4. Challenges/Uncertainties

Funding. Significant new funding would have to be obtained to increase the amount of DNR-managed forestland dedicated to murrelet conservation beyond the amount conserved through the LTCS. For example, there is a 33,000 acre difference in "acres of additional marbled murrelet-specific conservation" between Revised Draft EIS Alternatives G and H (the Board's preferred alternative).² Extrapolating from data developed as part of DNR's State Forest Land Replacement and encumbered

⁵ Washington State Department of Natural Resources. 2019. An assessment of options to replace timber trust revenues for counties. Wash. Dep. Nat. Resour., Olympia. 20 p.

lands work in Southwest Washington, transferring 33,000 acres of current murrelet habitat into conservation status (or acquiring additional current murrelet habitat) would cost between \$482 million and \$557 million, the majority of which (92 to 94 percent) is timber value.⁵ Acquiring future habitat, which likely would involve younger trees of lesser timber value, would be considerably less expensive.

Habitat Availability. Amounts and locations of current and future murrelet habitat on state lands are known. However, amounts and locations of current murrelet habitat that DNR could potentially purchase from private forest landowners are uncertain.

Political Will. The Washington State legislature is the most likely source of funds to dedicate more forestland acres to murrelet conservation and may need to authorize DNR to proceed. Asking the legislature for up to \$500 million or more to conserve murrelet habitat beyond the level required under DNR's HCP is a substantial proposition. To succeed, this undertaking would require strong stakeholder support. Asking for this level of funds would almost certainly affect DNR's ability to obtain funds for other priorities such as wildfire prevention and suppression, forest health, and salmon conservation.

5. Potential Next Steps

Here are the steps that DNR and the Table would need to take to accomplish this goal.

Commit. Commit to accomplishing--or at least exploring--the goal of increasing the amount of DNR-managed forestland dedicated to murrelet habitat conservation beyond the amount conserved through the LTCS.

Explain Why. Develop a powerful rationale that explains in the simplest of terms why this must be done and why Washington State should expend up to a half billion dollars or more to do it. This explanation must be compelling and easily understood by legislators, stakeholders, and the public.

Get Specific. Identify and map the specific habitat acres desired. Clarify current ownership and habitat status. These spatially explicit definitions are essential for developing strategy, cost estimates, and timelines.

Consider Synergies. Consider synergies among murrelet habitat, carbon sequestration, and ecosystem services: the same lands can serve all of these functions. Acquiring lands for all of these purposes may present new funding opportunities or strengthen the rationale for expenditures from familiar sources of funds. Consider the concept of a new public trust for lands that serve these functions.

Evaluate Funding Options. Identify and prioritize all potential sources of funds including traditional capital budget funding sources, green bonds⁶, certificates of participation⁶, and philanthropy. Thoroughly assess the feasibility and advantages/disadvantages of each.

Identify Needed Resources. Beyond funding for habitat acquisition, identify other resources that would be required (e.g., project management, real estate appraisals and transactions).

⁶ See the "Acquisition Financing" paper produced for the Table.

Anticipate Obstacles. Identify potential obstacles and develop alternative ways to overcome each.

Develop Strategy. Building on the preceding steps, develop a comprehensive strategy to accomplish the goal.

Communicate and Explain. Communicate with the Board, trust beneficiaries, stakeholders, Office of Financial Management, and the legislature. Explain intent. Build the high level of support that will be necessary to obtain authority and funding for this undertaking.

Develop a Legislative Request. Develop a legislative package that requests needed funding and authorizations. Decide whether to submit this request for 2020 or 2021.

Persevere. Do not be surprised or discouraged by early rejections. This would be a huge funding request that may require several attempts over consecutive legislative sessions. Learn from early failures. Adjust and adapt strategy in response to difficulties encountered. Build new alliances, and engage critics to turn them into supporters. Constantly improve communications and the expression of rationale. Don't stop, and don't give up.